

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	CASE NO. 8425-F
MOUNTAIN UTILITIES, INC.)	

O R D E R

On July 6, 1982, the Commission issued its Order in Case No. 8425 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On December 16, 1983, Mountain Utilities, Inc., ("Mountain") notified the Commission that its wholesale cost of gas would be increased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective January 1, 1984, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record filed in this case and being advised, the Commission is of the opinion and finds that:

(1) Mountain's notice of December 16, 1983, set out certain revisions in rates which Mountain proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$1,418 or 1.25 cents per Dth.

(2) Kentucky West filed an application for increased rates to become effective January 1, 1984, with the Federal Energy Regulatory Commission.

(3) Mountain's notice of December 16, 1983, requested an effective date of January 1, 1984. Mountain's notice does not provide the 20-day notice as required by statute; therefore, the proposed rates should be effective on and after January 5, 1984.

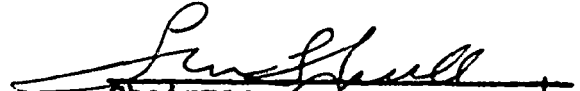
(4) Mountain's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8425 dated July 6, 1982, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after January 5, 1984, subject to refund. These rates should be subject to refund because Kentucky West's rates are subject to refund.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after January 5, 1984, subject to refund.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Mountain shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 4th day of January, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8425-F DATED JANUARY 4, 1984.

The following rates and charges are prescribed for the customers served by Mountain Utilities, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First	1 Mcf	\$8.7876 per Mcf
All Over	1 Mcf	8.0126 per Mcf

The base rate for the future application of the purchased gas adjustment clause of Mountain Utilities, Inc., shall be:

	<u>Commodity</u>
Kentucky West Virginia Gas Company	\$4.4966/dth*

*Including Gas Research Institute Funding Charge of \$0.0125 per Dth.